

4 September 1979

MEMORANDUM FOR: Director, National Foreign Assessment Center

SUBJECT : NFAC Organization

Bruce

1. Per your request, I have read and given considerable thought to the "reorganization paper" that Dick Lehman did for Frank Carlucci. I am happy to see that Frank, Dick, you, and others recognize the need for some changes in the NFAC organization. I hope that you will be able to find an organizational set-up that you will feel comfortable with because an improvement in the span of control is clearly needed.

2. The span of control which must be exercised by the Director/NFAC and the Deputy Director/NFA is enormous. Not only does it involve so many people--office directors, NIOs, staff chiefs--but it also involves national and agency problems. It appeared to me that Bob Bowie had great difficulty with his two-hatted position as D/NFAC and DD/NFA. I believe that you must consider that in fact you do possess two hats and, therefore, must strive to make use of both of them at the appropriate times. With your experience in the community, it should be much easier for you, particularly if we can improve the in-house organization.

3. Let me now discuss the options which Dick presents in his paper.

-- Options B and D are clearly nonstarters. Dick recognizes this in the next to final paragraph on page 7 where he says, "All, except possibly B and D, are improvements on the present situation."

-- Options A and A¹. I think both of these options fall out. If the NIOs were made subordinate to the DCI, there is clearly no need for DD/NFA, or, if there is a need for DD/NFA, it is someone other than the D/NFAC. In fact, the "national" in NFAC would have to be eliminated. There are many other obvious objections to either of these options.

UNCLASSIFIED

STAT

UNCLASSIFIED -

STAT

SUBJECT: NFAC Organization

- Option C. This option gets quite close to an organization which could operate smoothly and effectively carry out the mission of our group. However, Option C¹ is head and shoulders above Option C.
- Option C¹. I recommend you buy this one. The NIOs clearly belong to you, but instead of dealing with all 13, you would have one to deal with. Keep in mind, however, that the "head NIO" must be a very strong officer. He cannot be an administrative ticket-puncher, but rather a manager of all the activities of the NIOs. Otherwise, you will have the NIOs bypassing their manager and again dealing directly with you. The NIOs will clearly be in charge of interagency production. The office directors will clearly be in charge of NFAC production, which is the way it should be. This will allow the "national" to remain in NFAC but also give you and the DCI a source of independent analyses (CIA analyses) in some areas.
- Option E. While there is a lot to be said for this option, there are two main drawbacks, in my view. Both of these are mentioned by Dick. The NIOs would be one step further removed from the DCI, and another echelon in the bureaucracy would be created. While you can argue that in Option C¹ the NIOs would be further from the DCI, I think the situation would be quite different in that option than it would be in Option E where group chiefs would sit between you and the NIOs.
- Option E¹. Dick may be right in that eventually we may want to go this far. However, I believe that it is much too early. Many parts of our organization have not fully recovered from the trauma caused by the 1976 reorganization. Furthermore, there should be consistency in the organization where possible. This option eliminates some NIOs while retaining others. I believe that situation would make your job as DD/NFA more difficult since the DD/NFA must have clearly identifiable staff officers as leaders for "community" activities.

UNCLASSIFIED -

STAT

U CLASSIFIED [REDACTED]

STAT

SUBJECT: NFAC Organization

4. I believe that something like Option C¹ would serve you and the organization well. It would clearly lay out the responsibilities/relationships of the NIOs and Office Directors and, therefore, should eliminate the problems which exist for some. We in OWI have a good relationship with NIO/SP because of planning and communication. However, this is not apparent throughout NFAC, but with a clear definition of the responsibility it could be.

5. If you have any questions on my comments, I will be happy to discuss them with you.

[REDACTED]

R. E. HINEMAN
Director
Weapons Intelligence

STAT

UNCLASSIFIED [REDACTED]

STAT